

REMARKS

Claims 1-11, 40, 41, 46, 47, 52-77, 98 and 100-118 are pending in this application and have been rejected. Claims 1, 3, 62, 66, 72 and 77 are independent.

The Double-Patenting Rejection

Claims 1-11, 40, 41, 46, 47, 52-77, 98 and 100-118 have been provisionally rejected on the grounds of nonstatutory obviousness-type double patenting as being unpatentable over claims 1-53 of related U.S. patent appln. no. 11/344,131 (the '131 application is a continuation of the present application). The Office Action stated that a Terminal Disclaimer could be used to overcome this rejection.

Although the provisional nature of this rejection means that a response is not required at this time (note that M.P.E.P. § 804(I)(B) uses the permissive can when stating in part "[t]he merits of such a provisional rejection **can** be addressed by both the applicant and the examiner without waiting for the first patent to issue" (emphasis added). Here, in the interests of expediting prosecution, and without conceding the propriety of this rejection, Applicant submits herewith a Terminal Disclaimer to U.S. patent appln. no. 11/344,131.

Given the submission of the Terminal Disclaimer, this rejection has been overcome. Accordingly, favorable reconsideration and withdrawal of this rejection are respectfully requested.

The Rejection Under 35 U.S.C. § 102

Claims 1-11, 40, 41, 46, 47, 52-77, 98 and 100-118 have been rejected under 35 U.S.C. § 102(e) as being anticipated by U.S. patent appln. publn. no. 2006/0253340 to Levchin

et al. (the Office Action only discussed the features of claim 1, being silent as to the features of remaining claims 2-11, 40, 41, 46, 47, 52-77, 98 and 100-118). Applicant respectfully traverses this rejection, and submits the following arguments in support thereof.

Levchin, a patent based on a continuation application that in turn claims the priority of three provisional applications, is not prior art that anticipates the claimed invention because, as explained below, at least some of the portions of Levchin cited by the Office Action are not entitled to a date that is earlier than the effective filing date of this application.

Levchin was applied as art under § 102(e) because the subject application has an effective filing date of August 2, 1999 (this application is the national stage of international application no. PCT/JP99/04178, filed on August 2, 1999), whereas Levchin, published on November 9, 2006, and filed on June 20, 2006, is a continuation application of appln. no. 09/560,215, filed on April 28, 2000, which claims the priority of provisional application nos. 60/131,785, filed April 30, 1999, 60/144,633, filed July 19, 1999, and 60/172,311, filed December 17, 1999.

In view of this application's August 2, 1999, effective filing date, Levchin only would be prior art if all of the portions of the reference cited in the Office Action are fully-supported by the two provisional applications filed before this application, those being appln. nos. 60/131,785, filed April 30, 1999, and 60/144,633, filed July 19, 1999 (it is irrelevant appln. no. 60/172,311 supports those portions of Levchin because of the late filing date of that provisional application).

As a convenience to the Examiner, appln. nos. 60/131,785, 60/144,633 and 60/172,311 have been cited and made of record in the accompanying Information Disclosure Statement.

Various portions of Levchin that the Office Action relies upon, Figs. 1 and 2 and paragraphs [0007]-[0009], [0021]-[0022] and [0029]-[0041], are not supported by either provisional appln. nos. 60/131,785 and 60/144,633. Although each Appendix A to appln. nos. 60/131,785 and 60/144,633 includes features which are similar to Figs. 1 and 2 of Levchin, those figures are not identical.

It is respectfully submitted that because neither of these two provisional applications sufficiently supports the portions of Levchin cited by the Examiner, those cited portions of Levchin are not entitled to the filing dates of the provisional applications. The teachings of Levchin applied in the Office Action therefore are only entitled to a date that is later than the effective filing date of this application, meaning the portions of Levchin cited in the Office Action are not prior art as to the claimed invention.

Since the cited portions of Levchin are not prior art as to the claimed invention, Levchin cannot anticipate this invention. For this reason alone, favorable reconsideration and withdrawal of this rejection are therefore respectfully requested.

Applicant also wishes to call attention to several claim features that are not even suggested by Levchin.

As described in claim 1, this invention involves a transaction system for transacting through a communication network. Such a system has a first terminal that is a vending machine connecting to the communication network and having an information

indicating unit, a second terminal that is at least one of a cellular telephone and a PDA and having a unique ID information, an antenna and an input unit, said second terminal being which is connectable to the first terminal through the communication network with the antenna, and a transaction apparatus communicating with the first and second terminals through the communication network, this transaction apparatus storing the unique ID information of the second terminal in advance, the transaction apparatus setting up and sending a transaction ID information to the first terminal, the transaction apparatus receiving from the second terminal the unique ID information of the second terminal together with the transaction ID information. The transaction apparatus performs the transaction by synchronizing a communication with the first and second terminals when the unique ID information received from the second terminal is identical with that stored in the transaction apparatus in advance previously.

Generally, the claims provide for a transaction apparatus that performs the transaction by synchronizing a communication with the first and second terminals. This feature, however, is not even suggested by Levchin. Levchin merely teaches in paragraph [0009] that a synchronization server may be configured to facilitate synchronization of a user's client devices with the system. Also, in paragraph [0033] Levchin merely teaches that synchronization server 106 in the illustrated embodiment is configured to synchronize information stored on the system with the user's client computing devices and locally stored data¹. However, those skilled in the

¹ Paragraph [0033] of Levchin reads:

[0033] Synchronization server 106 in the illustrated embodiment is configured to synchronize information stored on the system with users' client computing devices and locally stored data. Illustratively, a user may connect to the synchronization server to upload and/or download details of transactions (e.g., value exchanges) that involve the user. During a synchronization session, a user's client may receive updated account information (e.g., reflecting cleared transactions), may authorize the system to charge additional funds to the user (e.g., by charging a credit card or transferring funds from a bank account), access customer service, query the status of a transaction, initiate a new transaction, etc.

art will realize that the term "synchronization" as used in these portions of Levchin does not have the same meaning as that term does in the present claims, the meaning of the term used in the claims being clear in view of the disclosure.

Also, Levchin is silent concerning the second terminal (billing terminal) as regards the synchronization.

Additionally, in, for example, paragraph [0042], Levchin teaches that "in an alternative embodiment, however, a transaction may be conducted in a **direct communication** between two or more parties..." (emphasis added). Applicant respectfully submits that one skilled in the art would understand that this implies Levchin's system is fundamentally different from and not suggestive of the claimed invention, in which the first and second terminals **never** communicate with each other **directly**. This portion of Levchin therefore teaches away from the claimed invention².

For all the foregoing reasons, favorable reconsideration and withdrawal of this rejection are respectfully requested.

Commenting upon claims 2-11, 40, 41, 46, 47, 52-77, 98 and 100-118, the Office Action states "they are not substantially different than the limitations of claim 1. In fact, they do not further limit the scope of the invention, and all their limitations are taught by Levchin et al."

The Office Action appears not to recognize that claims 3, 62, 66, 72 and 77 are independent, since the Office Action speaks of claims 2-11, 40, 41, 46, 47, 52-77, 98 and 100-

² Interestingly, one of Levchin's provisional predecessors, U.S. appln. no. 60/144,633, speaks of direct payment from the buyer to the seller when the application states "[t]hen, the user downloads payment software to a small device, such as his handheld computing device. The user makes a payment to an other user by connecting his computing device to the other user's computing device" (pg. no. 2).

While this provisional application also speaks at page no. 5 of funds being made available to a payee that is identified only by an e-mail address by depositing transferred funds to the payee's account, there is no discussion of the claimed synchronization procedure.

118 not further limiting the scope of the invention. It therefore is not correct for the Office Action to suggest claims 3, 62, 66, 72 and 77 can be rejected because they are dependent claims that do not introduce separately patentable subject matter.

In any event, Applicant respectfully disagrees with this comment and submits that those of claims 2-11, 40, 41, 46, 47, 52-77, 98 and 100-118 which are dependent further limit the invention described in their respective base claims, and themselves introduce features that are patentable over the art, including Levchin.

By way of example only, claims 57, 58 and 68 describe the manner in which synchronization of the first and second terminals is accomplished, i.e., one-to-one and one-to-many.

Consequently, if the dependent claims are to be rejected, it should be shown where in the art the features of those claims are suggested.

For all the foregoing reasons, favorable reconsideration and withdrawal of this rejection are respectfully requested.

CONCLUSION

Applicant respectfully submits that all outstanding rejections have been addressed and are now overcome. Applicant further submits that all claims pending in this application are patentable over the prior art. Accordingly, favorable reconsideration and withdrawal of those rejections is respectfully requested.

Other than the fee for the accompanying Terminal Disclaimer authorized therein, no fees are believed to be due in connection with the filing of this Response. Nevertheless,

should the Commissioner deem any fees to be now or hereafter due, the Commissioner is authorized to charge all such fees to Deposit Account No. 19-4709.

In the event that there are any questions, or should additional information be required, please contact Applicant's attorney at the number listed below.

Respectfully submitted,

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